



## Illinois Mandates Fertility Benefits & Dependent Coverage for Parents

Issued date: 10/29/25

The Illinois legislature enacted two new laws impacting certain health benefits plans. These provisions take effect for policies issued, amended, delivered or renewed in Illinois on or after January 1, 2026.

Briefly, these Illinois benefit mandates:

- Broaden benefits related to infertility treatment, and
- Expand dependent coverage to include the tax dependent parent (or stepparent) of the insured.

These provisions apply to fully insured group health plans issued in Illinois. ERISA covered self-funded health plans are not required to comply.

### ■ Mandatory Fertility Benefits

The new law broadens mandatory coverage of infertility and provides that no group policy of accident and health insurance that provides pregnancy-related benefits may be issued, amended, delivered, or renewed in Illinois on or after January 1, 2026, unless the policy contains coverage for the diagnosis and treatment of infertility, including specified procedures. Covered plans must also include coverage for the procedures necessary to screen or diagnose a fertilized egg before implantation.

State insurance mandates are generally pre-empted by ERISA and apply to fully insured group health plans with Illinois as their situs state. However, since the law also amended the County, Municipal, and School Codes, the mandates also apply to non-ERISA self-funded group health plans sponsored by Illinois state or local governmental entities as well as public schools.

Additionally, any group policy that covers more than 25 employees that is amended, delivered, issued, or renewed on or after January 1, 2026, shall provide, for individuals 45 years of age and older, coverage for an annual menopause health visit without any cost-sharing applied to the insured member.

## ■ Dependent Parent and Stepparent Coverage

The Illinois Insurance Code was amended so that a group or individual policy of accident and health insurance issued, amended, delivered, or renewed after January 1, 2026, which provides dependent coverage, shall make that dependent coverage available to the parent or stepparent of the insured if the parent or stepparent:

- Meets the definition of a qualifying relative under 26 U.S.C. 152(d); and
- Lives or resides within the accident and health insurance policy's service area.

The expanded definition does not apply to specialized health care service plans, Medicare supplement insurance, hospital-only policies, accident-only policies, or specified disease insurance policies that reimburse for hospital, medical, or surgical expenses.

Generally, to satisfy the definition of a “qualifying relative” the parent or stepparent must have:

1. Gross income for the calendar year in which such taxable year begins that is less than \$5,200 for 2025 (*as indexed for inflation*); and
2. The taxpayer (the primary insured) provide over one-half of the individual's support for the calendar year in which such taxable year begins.

This Illinois state insurance mandate is generally preempted by ERISA and would only apply to fully insured group health plans with Illinois as their situs state.

## ■ Employer Action

Carriers issuing and renewing group health plan policies in Illinois should be making the necessary changes to the plan designs to comply with the law.

Self-funded non-ERISA plans employers should work with their TPAs and stop loss carriers to comply with new fertility requirements.

If applicable, employers should amend plan documents to make sure to include dependent parent/stepparent eligibility language.